

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

\_\_\_\_\_  
IN THE MATTER OF: KELLY JOHN WOITEL )  
\_\_\_\_\_) )  
\_\_\_\_\_) )  
\_\_\_\_\_)

**File No. 0600174**

**CONSENT ORDER**

**TO RESPONDENT:** Kelly John Woitel  
CRD # 840853  
619 N. Russell  
Genesco, IL 61254

Martin Ryan  
Attorney for Respondent  
Baugh, Dalton, Carlson & Ryan, LLC  
55 W. Monroe St. - Suite 600  
Chicago, Illinois 60603

WHEREAS, Respondent Kelly John Woitel ("Respondent") executed a stipulation to enter consent order ("Stipulation") that is incorporated by reference into this order.

WHEREAS, by means of the Stipulation, Respondent has admitted he was properly served with notice of the hearings scheduled in this proceeding; has admitted the Illinois Secretary of State has personal jurisdiction over him and jurisdiction over the subject-matter of this proceeding; and, without admitting or denying the allegations in the following Findings of Fact and Conclusions of Law, has consented to their adoption by the Secretary and to the entry of the following terms of this order.

WHEREAS, the Secretary of State finds that the Secretary has personal jurisdiction over the Respondent because the Illinois Securities Department of the Office of the Secretary of State properly served the Respondent with notice of the hearings scheduled in this proceeding, in accordance with Section 11.F(1) of the Illinois Securities Law of 1953, as amended ("Act"); and the Secretary has jurisdiction over the subject-matter of this proceeding, in accordance with Sections 12.E; 11.A(1) and (2); and 11.E(2) and (4) of the Act.

WHEREAS, the Secretary of State makes the following findings of fact:

**FINDINGS OF FACT**

1. Kelly J. Woitel ("Respondent") is an individual whose address is 619 N. Russell, Geneseo, Illinois 61254.
2. From March 1997 through May 25, 2006, Respondent was registered with the Illinois Secretary of State as a salesperson through the broker-dealers with which he was associated.
3. Between August 4, 2005, and May 25, 2006, Respondent was registered with the Illinois Secretary of State as a salesperson through Broker-Dealer Robert B. Ausdal and Company Inc. ("Broker-Dealer"), with which he was associated.
4. "Not-For-profit Organization" is a tax-exempt Iowa corporation authorized to do business in Illinois that engages exclusively in charitable or civic activity.
5. From 2001 to May 2007, Respondent served the Not-For-Profit Organization in an unpaid voluntary position as treasurer.
6. As treasurer of the Not-For-Profit Organization, Respondent also was a member of the Finance Committee of the Not-For-Profit Organization.
7. The Director of Finance and the Finance Committee of the Not-For-Profit Organization were responsible for the finances of the Not-For-Profit Organization.
8. In or around September 2005, the Director of Finance and the Finance Committee voted to approve the purchase of 2,666 shares of CNL Income Properties Real Estate Investment Trust for the benefit of the Not-for-Profit Organization.
9. After the Finance Committee meeting, the Not-for-Profit Organization placed an order to purchase the CNL Income Properties Real Investment Trust shares through the account maintained with Respondent's Broker-Dealer.
10. The order was executed through Respondent's Broker-Dealer. As a result of the transaction, Respondent received a commission.
11. Under Section 8.C of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/8.C, ("Act"), any registered dealer desiring to register a salesperson shall file an application with the Secretary of State which the salesperson is required to provide to the dealer, executed, verified or authenticated by the salesperson setting forth or accompanied by certain information described in Section 8.C of the Act.
12. Under Section 130.810 of the Rules and Regulations under the Act, 14 Ill. Adm Code 810, an application, properly filed with the Secretary of State pursuant to 8.C, includes the filing of a Form U-4 with the National Association of Securities Dealers, now known as the Financial Industry Regulatory Authority, utilizing the Central Registration Depository online system.

13. The relevant portion of the Form U-4 states:

Are you currently engaged in any other business either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise? (Please exclude non *investment-related* activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.) If YES, please provide the following details: the name of the other business, whether the business is *investment-related*, the address of the other business, the nature of the other business, your position, title, or relationship with the other business, the start date of your relationship, the approximate number of hours/month you devote to the other business, the number of hours you devote to the other business during securities trading hours, and briefly describe your duties relating to the other business. (Emphasis in original.)

14. From 2001 through February 22, 2006, Respondent's Form U-4 did not state that Respondent served as treasurer of the Not-for-Profit Organization.
15. On May 25, 2006, Respondent voluntarily withdrew and terminated his registration and association with Respondent's Broker-Dealer as a salesperson in Illinois.
16. On February 6, 2006, an audit of Respondent's Broker-Dealer was conducted by the Illinois Securities Department.
17. After the Department's audit of Respondent's Broker-Dealer, Respondent reported his involvement as treasurer of the Not-for-Profit Organization on his Form U-4 on February 23, 2006.

WHEREAS, the Secretary of State makes the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. The Secretary of State has personal jurisdiction over Respondent. The Illinois Securities Department of the Office of the Secretary of State properly served the Respondent with the Notice of Hearing in this proceeding dated May 27, 2008; with the Amended Notice of Hearing in this proceeding dated September 9, 2008; and with notices of all continuances of the hearing, in accordance with Section 11.F(1) of the Illinois Securities Law of 1953, as amended ("Act").
2. The Secretary of State has subject-matter jurisdiction over the violation in this proceeding committed by Respondent, in accordance with Sections 12.E; 11.A(1) and (2); and 11.E(2) and E(4) of the Act.
3. Section 12.E of the Act provides, in relevant part, that it shall be a violation of the Act for any person to make or cause to be made, in any application, report or document filed under this Act or any rule or regulation made by the Secretary of State pursuant to this Act, any statement which was false or misleading with respect to any material fact.

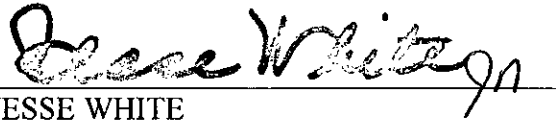
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4. By virtue of the foregoing, Respondent violated Section 12.E of the Act by not disclosing his involvement in other business activity as treasurer of the Not-for-Profit Organization. WHEREAS, the Secretary of State enters the following order:

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT** Respondent Kelly John Woitel is permanently prohibited from offering or selling any securities, or any mineral investment contract or mineral deferred delivery contract in or from Illinois.

Entered this 2d day of March, 2009.



JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
Bernadette Cole  
Enforcement Attorney  
Office of the Secretary of State  
Illinois Securities Department  
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NOTICE TO RESPONDENT: Failure to comply with the terms of this order shall constitute a violation of Section 12.D of the Illinois Securities Law of 1953. Any person or entity failing to comply with the terms of this order and having knowledge of the existence of this order, shall be guilty of a Class 4 felony. 815 ILCS 5/12.D; and 5/14.A.

This is a final order and is subject to judicial review under the Administrative Review Law, in accordance with Section 11.H of the Illinois Securities Law of 1953, and the Illinois Administrative Code. 735 ILCS 5/3-101 *et seq.*; 815 ILCS 5/11.H; and 14 Ill. Admin. Code 130.1123.

Any action for judicial review of this order must be commenced within 35 days from the date a copy of this order was served by U.S. mail upon the party seeking review, in accordance with Section 103 of the Administrative Review Law. 735 ILCS 5/3-103.